

CAFR

**PROPRIETARY
FUNDS**

**NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2007**

King County has established Enterprise Funds to account for organizations which are intended to be self-supporting through fees charged for services provided to the public. The County has five nonmajor enterprises that use the accrual basis of accounting. A typical enterprise consists of an operating fund and construction subfund and may also include debt service or other reserve subfunds.

Institutional Network (I-Net) Enterprise Fund – Accounts for the development and operations of a fiberoptic network which connects approximately 300 public facilities across King County. I-Net provides broadband internet connectivity, including data, voice and video communications to schools in unincorporated King County, public safety agencies, courts, public health facilities, and other public service agencies.

King County International Airport (KCIA) Enterprise Fund – Accounts for the operations, maintenance, capital improvements, and expansion of the King County International Airport/Boeing Field. With its two runways (3,710 feet and 10,000 feet in length) and four fixed-base operators, KCIA provides all the facilities and services necessary to support jet and propeller-driven aircraft and helicopters. KCIA is an FAA-designated General Aviation Reliever for Sea-Tac Airport and averages over 375,000 general aviation operations per year.

Radio Communications Services Enterprise Fund – Accounts for the operations, maintenance, capital improvements, and expansion of the 800 MHz trunked radio system that provides communications for virtually all public safety agencies of the County, as well as many other local government agencies. Costs are recovered primarily through user fees, including charges for maintenance and future equipment replacement.

Solid Waste Enterprise Fund – Accounts for the operations, maintenance, capital improvements, and expansion of the County's solid waste disposal facilities under the Solid Waste Division of the Department of Natural Resources and Parks. The County operates eight solid waste transfer stations, two drop box stations, two household hazardous waste facilities, one regional landfill, and recycling services for residential customers. Operating revenues result primarily from tipping fees at the active solid waste disposal sites, while bond proceeds fund most new construction. Significant reserves are set aside to replace landfills, to provide for post-closure care and remediation costs, and to replace capital equipment.

Stadium Enterprise Fund – Originally established to account for the operations, maintenance, and capital improvements to the King County Stadium (the Kingdome). Although the implosion and subsequent demolition of the Kingdome took place in 2000, the enterprise fund remains open pending final disposition of the fund's remaining assets.

COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2007
(IN THOUSANDS)

	RADIO KING COUNTY COMMUNI- INTERNATIONAL CATIONS					
	TOTAL	I-NET	AIRPORT	SERVICES	SOLID WASTE	STADIUM
ASSETS						
Current assets						
Cash and cash equivalents	\$ 75,050	\$ 1,508	\$ 9,326	\$ 5,317	\$ 58,796	\$ 103
Restricted cash and cash equivalents	993	-	986	7	-	-
Accounts receivable	7,381	207	561	181	6,432	-
Estimated uncollectible accounts receivable	(59)	-	(10)	-	(49)	-
Due from other funds	729	59	10	7	653	-
Due from other governments	803	189	-	-	614	-
Inventory of supplies	1,259	-	158	85	1,016	-
Total current assets	<u>86,156</u>	<u>1,963</u>	<u>11,031</u>	<u>5,597</u>	<u>67,462</u>	<u>103</u>
Noncurrent assets						
Restricted assets						
Cash and cash equivalents	81,005	-	10,410	3,215	67,380	-
Accounts receivable	25	-	-	25	-	-
Due from other governments	508	-	508	-	-	-
Total restricted assets	<u>81,538</u>	<u>-</u>	<u>10,918</u>	<u>3,240</u>	<u>67,380</u>	<u>-</u>
Capital assets						
Land	41,977	-	14,960	-	25,594	1,423
Buildings	61,082	-	34,245	-	26,104	733
Improvements other than buildings	162,252	13,354	26,953	4,650	117,295	-
Furniture, machinery and equipment	82,764	6,572	4,198	18,945	53,049	-
Accumulated depreciation	(189,700)	(11,020)	(33,045)	(16,536)	(128,366)	(733)
Work in progress	76,989	-	35,947	-	41,042	-
Total capital assets	<u>235,364</u>	<u>8,906</u>	<u>83,258</u>	<u>7,059</u>	<u>134,718</u>	<u>1,423</u>
Other noncurrent						
Deferred charges	427	-	-	-	427	-
Total noncurrent assets	<u>317,329</u>	<u>8,906</u>	<u>94,176</u>	<u>10,299</u>	<u>202,525</u>	<u>1,423</u>
TOTAL ASSETS	<u>403,485</u>	<u>10,869</u>	<u>105,207</u>	<u>15,896</u>	<u>269,987</u>	<u>1,526</u>
LIABILITIES						
Current liabilities						
Accounts payable	8,759	250	1,130	118	7,261	-
Due to other funds	3,757	-	2,458	51	1,248	-
Interest payable	407	86	27	-	294	-
Wages payable	1,587	29	132	48	1,378	-
Compensated absences payable	194	3	11	3	177	-
Taxes payable	193	-	155	16	22	-
Unearned revenue	2,053	108	1,944	-	1	-
Customer deposits	361	-	312	49	-	-
General obligation bonds payable	4,360	495	345	-	3,520	-
Landfill closure and closure care liability	6,000	-	-	-	6,000	-
Total current liabilities	<u>27,671</u>	<u>971</u>	<u>6,514</u>	<u>285</u>	<u>19,901</u>	<u>-</u>
Noncurrent liabilities						
Compensated absences payable	3,902	79	341	88	3,394	-
Other postemployment benefits	109	2	10	3	94	-
General obligation bonds payable	57,121	4,170	6,475	-	46,476	-
Deferred bond discount/refunding losses	2,116	-	-	-	2,116	-
Environmental remediation	2,624	-	2,624	-	-	-
Landfill closure and closure care liability	100,816	-	-	-	100,816	-
Total noncurrent liabilities	<u>166,688</u>	<u>4,251</u>	<u>9,450</u>	<u>91</u>	<u>152,896</u>	<u>-</u>
TOTAL LIABILITIES	<u>194,359</u>	<u>5,222</u>	<u>15,964</u>	<u>376</u>	<u>172,797</u>	<u>-</u>
NET ASSETS						
Invested in capital assets, net of related debt	171,767	4,241	76,438	7,059	82,606	1,423
Restricted for capital projects	12,345	-	9,105	3,240	-	-
Unrestricted	25,014	1,406	3,700	5,221	14,584	103
TOTAL NET ASSETS	<u>\$ 209,126</u>	<u>\$ 5,647</u>	<u>\$ 89,243</u>	<u>\$ 15,520</u>	<u>\$ 97,190</u>	<u>\$ 1,526</u>

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(IN THOUSANDS)

		RADIO KING COUNTY COMMUNI- INTERNATIONAL CATIONS				SOLID WASTE	STADIUM
	TOTAL	I-NET	AIRPORT	SERVICES			
OPERATING REVENUES							
I-Net fees	\$ 3,060	\$ 3,060	\$ -	\$ -	\$ -	\$ -	
Radio services	3,763	-	-	3,763	-	-	
Solid waste disposal charges	89,265	-	-	-	89,265	-	
Airfield fees	3,094	-	3,094	-	-	-	
Hangar, building, and site rentals and leases	9,367	-	9,367	-	-	-	
Reimbursement for services to tenants	1,442	-	1,442	-	-	-	
Miscellaneous	13	-	13	-	-	-	
Total operating revenues	<u>110,004</u>	<u>3,060</u>	<u>13,916</u>	<u>3,763</u>	<u>89,265</u>	<u>-</u>	
OPERATING EXPENSES							
Personal services	43,927	904	4,087	1,354	37,582	-	
Materials and supplies	8,423	34	420	261	7,708	-	
Contract services and other charges	26,446	792	1,537	450	23,667	-	
Utilities	3,445	2	1,158	92	2,193	-	
Internal services	12,985	425	4,584	530	7,446	-	
Landfill closure and post-closure care	18,918	-	-	-	18,918	-	
Depreciation	17,874	1,649	1,521	1,138	13,566	-	
Total operating expenses	<u>132,018</u>	<u>3,806</u>	<u>13,307</u>	<u>3,825</u>	<u>111,080</u>	<u>-</u>	
OPERATING INCOME (LOSS)	<u>(22,014)</u>	<u>(746)</u>	<u>609</u>	<u>(62)</u>	<u>(21,815)</u>	<u>-</u>	
NONOPERATING REVENUES (EXPENSES)							
Interest earnings	5,085	55	646	242	4,139	3	
Interest expense	(1,983)	(238)	(340)	-	(1,405)	-	
Rental income	564	-	-	-	564	-	
DNR administration revenue	2,894	-	-	-	2,894	-	
DNR administration expense	(3,396)	-	-	-	(3,396)	-	
Gain (loss) on disposal of capital assets	54	(191)	5	(13)	253	-	
Remediation expense	(809)	-	(809)	-	-	-	
Miscellaneous revenue	400	-	-	-	400	-	
Miscellaneous expense	(1,329)	-	-	-	(1,329)	-	
Total nonoperating revenues (expenses)	<u>1,480</u>	<u>(374)</u>	<u>(498)</u>	<u>229</u>	<u>2,120</u>	<u>3</u>	
Income (loss) before contributions and transfers	<u>(20,534)</u>	<u>(1,120)</u>	<u>111</u>	<u>167</u>	<u>(19,695)</u>	<u>3</u>	
Capital grants and contributions	3,430	17	2,533	190	690	-	
Transfers in	-	-	-	-	-	-	
Transfers out	<u>(416)</u>	<u>(12)</u>	<u>(8)</u>	<u>(36)</u>	<u>(360)</u>	<u>-</u>	
CHANGE IN NET ASSETS	<u>(17,520)</u>	<u>(1,115)</u>	<u>2,636</u>	<u>321</u>	<u>(19,365)</u>	<u>3</u>	
NET ASSETS - JANUARY 1, 2007	<u>226,646</u>	<u>6,762</u>	<u>86,607</u>	<u>15,199</u>	<u>116,555</u>	<u>1,523</u>	
NET ASSETS - DECEMBER 31, 2007	<u>\$ 209,126</u>	<u>\$ 5,647</u>	<u>\$ 89,243</u>	<u>\$ 15,520</u>	<u>\$ 97,190</u>	<u>\$ 1,526</u>	

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(IN THOUSANDS)
(PAGE 1 OF 2)

	TOTAL	I-NET	KING COUNTY INTERNATIONAL AIRPORT	RADIO COMMUNI- CATIONS SERVICES	SOLID WASTE	STADIUM
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	\$ 109,152	\$ 2,903	\$ 13,566	\$ 3,768	\$ 88,915	\$ -
Cash payments to suppliers for goods and services	(51,864)	(1,399)	(8,853)	(1,339)	(40,273)	-
Cash payments for employee services	(43,529)	(890)	(4,130)	(1,342)	(37,167)	-
Other receipts	3,858	-	-	-	3,858	-
Other payments	(4,717)	-	-	-	(4,717)	-
Net cash provided by operating activities	<u>12,900</u>	<u>614</u>	<u>583</u>	<u>1,087</u>	<u>10,616</u>	<u>-</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers out	(416)	(12)	(8)	(36)	(360)	-
Net cash used by noncapital financing activities	<u>(416)</u>	<u>(12)</u>	<u>(8)</u>	<u>(36)</u>	<u>(360)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	(43,776)	(21)	(4,318)	(250)	(39,187)	-
Principal paid on general obligation bonds	(6,497)	(540)	(325)	-	(5,632)	-
Interest paid on general obligation bonds	(1,676)	(158)	(341)	-	(1,177)	-
Proceeds from general obligation bond issue	40,635	-	-	-	40,635	-
Capital grants received	3,223	-	2,533	-	690	-
Proceeds from disposal of capital assets	262	-	10	-	252	-
Landfill closure and post-closure care	(2,741)	-	-	-	(2,741)	-
Net cash used by capital and related financing activities	<u>(10,570)</u>	<u>(719)</u>	<u>(2,441)</u>	<u>(250)</u>	<u>(7,160)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Decrease in allocation of pooled reverse repurchase agreements	(5,831)	-	(880)	-	(4,951)	-
Interest on investments (including unrealized gains and losses reported as cash and cash equivalents)	<u>5,085</u>	<u>55</u>	<u>646</u>	<u>242</u>	<u>4,139</u>	<u>3</u>
Net cash provided (used) by investing activities	<u>(746)</u>	<u>55</u>	<u>(234)</u>	<u>242</u>	<u>(812)</u>	<u>3</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>1,168</u>	<u>(62)</u>	<u>(2,100)</u>	<u>1,043</u>	<u>2,284</u>	<u>3</u>
CASH AND CASH EQUIVALENTS - JANUARY 1, 2007	<u>155,880</u>	<u>1,570</u>	<u>22,822</u>	<u>7,496</u>	<u>123,892</u>	<u>100</u>
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2007	<u>\$ 157,048</u>	<u>\$ 1,508</u>	<u>\$ 20,722</u>	<u>\$ 8,539</u>	<u>\$ 126,176</u>	<u>\$ 103</u>

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(IN THOUSANDS)
(PAGE 2 OF 2)

	<u>TOTAL</u>	<u>I-NET</u>	<u>KING COUNTY INTERNATIONAL AIRPORT</u>	<u>RADIO COMMUNI- CATIONS SERVICES</u>	<u>SOLID WASTE</u>	<u>STADIUM</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating income (loss)	<u>\$ (22,014)</u>	<u>\$ (746)</u>	<u>\$ 609</u>	<u>\$ (62)</u>	<u>\$ (21,815)</u>	<u>\$ -</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Depreciation	17,874	1,649	1,521	1,138	13,566	-
Landfill closure and post-closure care	18,918	-	-	-	18,918	-
Other nonoperating revenue/expense	(1,668)	-	(809)	-	(859)	-
Changes in assets - (increase) decrease						
Accounts receivable, net	(798)	72	(69)	(75)	(726)	-
Due from other funds	358	(46)	119	67	218	-
Due from other governments	(361)	(110)	(363)	-	112	-
Inventory of supplies	(137)	-	(27)	48	(158)	-
Prepayments	2	-	2	-	-	-
Changes in liabilities - increase (decrease)						
Accounts payable	482	27	(395)	(36)	886	-
Due to other funds	(69)	(172)	74	(18)	47	-
Wages payable	176	4	(1)	5	168	-
Taxes payable	16	-	3	1	12	-
Unearned revenues	(50)	(74)	24	-	-	-
Compensated absences	113	8	(52)	4	153	-
Other postemployment benefits	109	2	10	3	94	-
Customer deposits	(51)	-	(63)	12	-	-
Total Adjustments	<u>34,914</u>	<u>1,360</u>	<u>(26)</u>	<u>1,149</u>	<u>32,431</u>	<u>-</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 12,900</u>	<u>\$ 614</u>	<u>\$ 583</u>	<u>\$ 1,087</u>	<u>\$ 10,616</u>	<u>\$ -</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:						
Contributions of capital assets from government	\$ 207	\$ 17	\$ -	\$ 190	\$ -	\$ -



**INTERNAL SERVICE FUNDS
DECEMBER 31, 2007**

Building Development and Management Corporations Fund – Accounts for the development, construction, management and financing of County buildings.

Construction and Facilities Management Fund – Accounts for custodial services, building maintenance, and CIP project management. The fund earns revenue by charging tenants of County buildings for facilities maintenance, renovation, and architectural services.

DES Equipment Replacement Fund – Accounts for the purchase and replacement of personal computers for the agencies in King County Department of Executive Services.

Employee Benefits Program Fund – Accounts for the activities of employee medical, dental, life insurance, and long-term disability benefit programs and will account for future modifications to existing benefits or additions of new employee benefits.

Financial Management Services Fund – Accounts for financial services, including accounting, treasury, contracts, and procurement services provided to King County and other contracting agencies.

Office of Information Resource Management Operating Fund – Accounts for the activities relating to the operations of the Office of Information Resource Management, including countywide information technology strategic planning and project management oversight.

Information and Telecommunications Services Fund – Consists of two subfunds that account for data processing and telecommunications services provided to King County and other contracting agencies. The Data Processing Services subfund is responsible for the wide area data network, applications development and support, data center operations, database and server maintenance, server hosting, internet access, web infrastructure, help desk operations, and equipment replacement services. The Telecommunications Services subfund is responsible for managing desktop and wireless telephony services. This includes billing, inventory, maintenance and replacement of telephone systems, managing calling card and long distance services, and providing consulting services on a time-available basis to County telephone users.

Insurance Fund – Accounts for the activities of the Office of Risk Management, which include performing risk analysis, evaluating alternatives and purchasing insurance, adjusting claims, and recommending policies and practices to reduce potential liabilities and ensure the adequacy of insurance coverage for King County departments.

King County Geographic Information Systems Fund – Accounts for the activities required to operate, maintain, and enhance the automated geographic information systems that serve both King County agencies and external customers.

Motor Pool Equipment Rental Fund – Accounts for the purchase and maintenance of a fleet of vehicles for use by County agencies.

Printing/Graphic Arts Services Fund – Accounts for printing, graphic arts, and duplicating services.

Public Works Equipment Rental Fund – Accounts for the purchase and maintenance of equipment and materials primarily used by the Road Services Division for maintenance and repair.

Safety and Workers' Compensation Fund – Accounts for the administration of an employee safety and training program designed to provide a safe and healthful workplace, as required by the Washington Industrial Safety and Health Act of 1973, and accounts for King County's self-insured worker compensation system as certified under Title 51 Revised Code of Washington (RCW), Industrial Insurance Act.

Wastewater Equipment Rental Fund – Accounts for the purchase and maintenance of a fleet of equipment and vehicles for use by the Wastewater Treatment Division and Water and Land Resources.

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2007
(IN THOUSANDS)
(PAGE 1 OF 3)

	TOTAL	BUILDING DEVELOPMENT & MANAGEMENT CORPORATIONS	CONSTRUCTION & FACILITIES MANAGEMENT	DES EQUIPMENT REPLACEMENT	EMPLOYEE BENEFITS PROGRAM
ASSETS					
Current assets					
Cash and cash equivalents	\$ 188,834	\$ 2	\$ 2,067	\$ 604	\$ 33,417
Restricted cash and cash equivalents	126,127	126,127	-	-	-
Investments	3,141	-	-	-	-
Interest receivable	517	447	-	-	-
Accounts receivable	790	673	1	-	50
Estimated uncollectible accounts receivable	(5)	-	-	-	-
Due from other funds	4,412	-	1,676	667	46
Due from other governments, net	422	-	-	-	-
Inventory of supplies	1,436	-	201	-	-
Prepayments	8,556	27	-	-	-
Total current assets	<u>334,230</u>	<u>127,276</u>	<u>3,945</u>	<u>1,271</u>	<u>33,513</u>
Noncurrent Assets					
Cash and cash equivalents	47,839	47,839	-	-	-
Deferred charges	5,770	5,770	-	-	-
Capital assets					
Land	20,395	20,395	-	-	-
Buildings	195,788	195,788	-	-	-
Improvements other than buildings	2,509	-	525	-	-
Accumulated depreciation	(17,360)	(16,775)	(332)	-	-
Furniture, machinery and equipment	96,164	-	4,995	2,064	3,505
Accumulated depreciation	(63,238)	-	(1,690)	(1,312)	(43)
Work in progress	45,618	45,618	-	-	-
Total capital assets	<u>279,876</u>	<u>245,026</u>	<u>3,498</u>	<u>752</u>	<u>3,462</u>
Total noncurrent assets	<u>333,485</u>	<u>298,635</u>	<u>3,498</u>	<u>752</u>	<u>3,462</u>
TOTAL ASSETS	<u>667,715</u>	<u>425,911</u>	<u>7,443</u>	<u>2,023</u>	<u>36,975</u>
LIABILITIES					
Current liabilities					
Accounts payable	8,543	324	1,153	120	1,697
Contracts payable	12,049	12,049	-	-	-
Retainage payable	2,448	2,446	2	-	-
Estimated claim settlements	87,185	-	-	-	13,872
Due to other funds	3,732	-	233	-	43
Due to other governments	9	9	-	-	-
Interest payable	1,699	1,693	6	-	-
Interfund short-term loans payable	1,629	-	-	-	-
Wages payable	2,890	-	877	-	69
Compensated absences payable	553	-	141	-	11
Taxes payable	43	20	7	-	-
Unearned revenues	836	2	-	-	598
General obligation bonds payable	170	-	170	-	-
Revenue bonds payable	5,895	5,895	-	-	-
Assessments payable	15	-	15	-	-
Custodial accounts	165	-	-	-	165
Total current liabilities	<u>127,861</u>	<u>22,438</u>	<u>2,604</u>	<u>120</u>	<u>16,455</u>
Long-term liabilities					
Compensated absences payable	9,599	-	2,448	-	194
Other postemployment benefits	202	-	74	-	2
General obligation bonds payable	420	-	420	-	-
Revenue bonds payable	408,640	408,640	-	-	-
Assessments payable	44	-	44	-	-
Estimated claim settlements	49,360	-	-	-	-
Total long-term liabilities	<u>468,265</u>	<u>408,640</u>	<u>2,986</u>	<u>-</u>	<u>196</u>
TOTAL LIABILITIES	<u>596,126</u>	<u>431,078</u>	<u>5,590</u>	<u>120</u>	<u>16,651</u>
NET ASSETS					
Invested in capital assets, net of related debt	14,623	(19,637)	2,908	752	3,462
Restricted for:					
Capital projects	5,865	5,865	-	-	-
Debt Service	26,817	26,817	-	-	-
Unrestricted	24,284	(18,212)	(1,055)	1,151	16,862
TOTAL NET ASSETS	<u>\$ 71,589</u>	<u>\$ (5,167)</u>	<u>\$ 1,853</u>	<u>\$ 1,903</u>	<u>\$ 20,324</u>

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2007
 (IN THOUSANDS)
 (PAGE 2 OF 3)

FINANCIAL MANAGEMENT SERVICES	OFFICE OF INFORMATION RESOURCE MANAGEMENT OPERATING	INFORMATION & TELECOM- MUNICATIONS SERVICES	INSURANCE	KING COUNTY GEOGRAPHIC INFORMATION SYSTEMS	MOTOR POOL EQUIPMENT RENTAL
\$ 5,042	\$ 1,704	\$ 8,313	\$ 81,732	\$ 972	\$ 5,350
-	-	-	-	-	-
-	-	-	-	-	-
-	-	64	-	2	-
-	-	(5)	-	-	-
386	45	863	54	39	42
390	-	30	-	-	-
-	-	-	-	-	84
-	-	-	8,529	-	-
<u>5,818</u>	<u>1,749</u>	<u>9,265</u>	<u>90,315</u>	<u>1,013</u>	<u>5,476</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,984
-	-	-	-	-	(253)
3,798	48	10,785	45	735	30,545
(2,977)	(36)	(9,257)	(36)	(566)	(20,634)
-	-	-	-	-	-
<u>821</u>	<u>12</u>	<u>1,528</u>	<u>9</u>	<u>169</u>	<u>11,642</u>
<u>821</u>	<u>12</u>	<u>1,528</u>	<u>9</u>	<u>169</u>	<u>11,642</u>
<u>6,639</u>	<u>1,761</u>	<u>10,793</u>	<u>90,324</u>	<u>1,182</u>	<u>17,118</u>
775	8	2,066	161	210	195
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	58,192	-	-
569	22	1,665	372	26	185
-	-	-	-	-	-
-	-	-	-	-	-
702	50	649	71	112	53
155	13	130	14	16	11
-	-	14	-	1	-
211	-	25	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,412</u>	<u>93</u>	<u>4,549</u>	<u>58,810</u>	<u>365</u>	<u>444</u>
2,695	223	2,242	240	288	182
48	2	36	5	7	5
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,743</u>	<u>225</u>	<u>2,278</u>	<u>245</u>	<u>295</u>	<u>187</u>
<u>5,155</u>	<u>318</u>	<u>6,827</u>	<u>59,055</u>	<u>660</u>	<u>631</u>
821	12	1,528	9	169	11,642
-	-	-	-	-	-
-	-	-	-	-	-
<u>663</u>	<u>1,431</u>	<u>2,438</u>	<u>31,260</u>	<u>353</u>	<u>4,845</u>
<u>\$ 1,484</u>	<u>\$ 1,443</u>	<u>\$ 3,966</u>	<u>\$ 31,269</u>	<u>\$ 522</u>	<u>\$ 16,487</u>

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2007
 (IN THOUSANDS)
 (PAGE 3 OF 3)

	PRINTING/ GRAPHIC ARTS SERVICES	PUBLIC WORKS EQUIPMENT RENTAL	SAFETY & WORKERS' COMPENSATION	WASTEWATER EQUIPMENT RENTAL
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ 8,201	\$ 35,854	\$ 5,576
Restricted cash and cash equivalents	-	-	-	-
Investments	-	-	3,141	-
Interest receivable	-	-	70	-
Accounts receivable	-	-	-	-
Estimated uncollectible accounts receivable	-	-	-	-
Due from other funds	278	232	84	-
Due from other governments, net	2	-	-	-
Inventory of supplies	-	1,144	-	7
Prepayments	-	-	-	-
Total current assets	<u>280</u>	<u>9,577</u>	<u>39,149</u>	<u>5,583</u>
Noncurrent Assets				
Cash and cash equivalents	-	-	-	-
Deferred charges	-	-	-	-
Capital assets				
Land	-	-	-	-
Buildings	-	-	-	-
Improvements other than buildings	-	-	-	-
Accumulated depreciation	-	-	-	-
Furniture, machinery and equipment	618	26,457	177	12,392
Accumulated depreciation	(418)	(16,985)	(151)	(9,133)
Work in progress	-	-	-	-
Total capital assets	<u>200</u>	<u>9,472</u>	<u>26</u>	<u>3,259</u>
Total noncurrent assets	<u>200</u>	<u>9,472</u>	<u>26</u>	<u>3,259</u>
TOTAL ASSETS	<u>480</u>	<u>19,049</u>	<u>39,175</u>	<u>8,842</u>
LIABILITIES				
Current liabilities				
Accounts payable	256	497	1,040	41
Contracts payable	-	-	-	-
Retainage payable	-	-	-	-
Estimated claim settlements	-	-	15,121	-
Due to other funds	527	28	34	28
Due to other governments	-	-	-	-
Interest payable	-	-	-	-
Interfund short-term loans payable	1,629	-	-	-
Wages payable	37	173	97	-
Compensated absences payable	1	47	14	-
Taxes payable	1	-	-	-
Unearned revenues	-	-	-	-
General obligation bonds payable	-	-	-	-
Revenue bonds payable	-	-	-	-
Assessments payable	-	-	-	-
Custodial accounts	-	-	-	-
Total current liabilities	<u>2,451</u>	<u>745</u>	<u>16,306</u>	<u>69</u>
Long-term liabilities				
Compensated absences payable	21	817	249	-
Other postemployment benefits	4	13	6	-
General obligation bonds payable	-	-	-	-
Revenue bonds payable	-	-	-	-
Assessments payable	-	-	-	-
Estimated claim settlements	-	-	49,360	-
Total long-term liabilities	<u>25</u>	<u>830</u>	<u>49,615</u>	<u>-</u>
TOTAL LIABILITIES	<u>2,476</u>	<u>1,575</u>	<u>65,921</u>	<u>69</u>
NET ASSETS				
Invested in capital assets, net of related debt	200	9,472	26	3,259
Restricted for:				
Capital projects	-	-	-	-
Debt Service	-	-	-	-
Unrestricted	(2,196)	8,002	(26,772)	5,514
TOTAL NET ASSETS	<u>\$ (1,996)</u>	<u>\$ 17,474</u>	<u>\$ (26,746)</u>	<u>\$ 8,773</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(IN THOUSANDS)
(PAGE 1 OF 3)**

	TOTAL	BUILDING DEVELOPMENT & MANAGEMENT CORPORATIONS	CONSTRUCTION & FACILITIES MANAGEMENT	DES EQUIPMENT REPLACEMENT	EMPLOYEE BENEFITS PROGRAM
OPERATING REVENUES					
Profit on inventory sales					
Sales of inventory	\$ 8,052	\$ -	\$ -	\$ -	\$ -
Cost of goods sold	<u>(7,028)</u>	-	-	-	-
Gross profit on inventory	1,024	-	-	-	-
Data processing services - intracounty	26,816	-	-	-	-
Data processing services - other	483	-	-	-	-
Telecommunication services	2,923	-	-	-	-
Information resources management fees	1,865	-	-	-	-
Geographic information systems fees	4,334	-	-	-	-
Building management fees	12,682	12,682	-	-	-
Building operation and maintenance service fees	31,126	-	31,126	-	-
Architect/engineering/renovation service fees	8,747	-	8,747	-	-
Benefit program employer contributions	175,423	-	-	-	175,423
Benefit program employee fees	7,784	-	-	-	7,784
Financial services	29,365	-	-	-	-
Insurance services	22,827	-	-	-	-
Equipment rental fees	17,283	-	-	-	-
Fixed asset data management services	157	-	-	-	-
Garage shop services	405	-	-	-	-
Printing and duplication	3,072	-	-	-	-
Workers' compensation employer contributions	37,903	-	-	-	-
Miscellaneous	<u>2,839</u>	<u>16</u>	<u>106</u>	<u>667</u>	<u>-</u>
Total operating revenues	<u>387,058</u>	<u>12,698</u>	<u>39,979</u>	<u>667</u>	<u>183,207</u>
OPERATING EXPENSES					
Personal services	79,611	-	25,567	-	1,884
Materials and supplies	10,648	-	1,635	-	34
Contract services and other charges	247,180	2,931	9,804	-	170,917
Lease and maintenance of equipment	6,427	-	474	-	10
Internal services	21,036	-	3,378	24	273
Depreciation	<u>11,672</u>	<u>3,150</u>	<u>385</u>	<u>370</u>	<u>9</u>
Total operating expenses	<u>376,574</u>	<u>6,081</u>	<u>41,243</u>	<u>394</u>	<u>173,127</u>
OPERATING INCOME (LOSS)	<u>10,484</u>	<u>6,617</u>	<u>(1,264)</u>	<u>273</u>	<u>10,080</u>
NONOPERATING REVENUES					
Interest	<u>7,436</u>	<u>1,580</u>	<u>173</u>	<u>23</u>	<u>876</u>
Total nonoperating revenues	<u>7,436</u>	<u>1,580</u>	<u>173</u>	<u>23</u>	<u>876</u>
NONOPERATING EXPENSES					
Interest	10,377	10,260	35	-	-
(Gain) loss on disposal of capital assets	<u>(1,016)</u>	<u>-</u>	<u>(588)</u>	<u>1</u>	<u>-</u>
Total nonoperating expenses	<u>9,361</u>	<u>10,260</u>	<u>(553)</u>	<u>1</u>	<u>-</u>
Income (loss) before contributions and transfers	8,559	(2,063)	(538)	295	10,956
Capital contributions	1,904	-	1,672	17	-
Transfers in	1,620	-	383	-	-
Transfers out	<u>(5,802)</u>	<u>-</u>	<u>(233)</u>	<u>(39)</u>	<u>(69)</u>
CHANGE IN NET ASSETS	<u>6,281</u>	<u>(2,063)</u>	<u>1,284</u>	<u>273</u>	<u>10,887</u>
NET ASSETS - JANUARY 1, 2007 (RESTATED) ^(a)	<u>65,308</u>	<u>(3,104)</u>	<u>569</u>	<u>1,630</u>	<u>9,437</u>
NET ASSETS - DECEMBER 31, 2007	<u>\$ 71,589</u>	<u>\$ (5,167)</u>	<u>\$ 1,853</u>	<u>\$ 1,903</u>	<u>\$ 20,324</u>

(a) See Note 15, "Restrictions, Reserves, Designations, and Changes in Equity" – Restatements of Beginning Balances.

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(IN THOUSANDS)
(PAGE 2 OF 3)**

	FINANCIAL MANAGEMENT SERVICES	OFFICE OF INFORMATION RESOURCE MANAGEMENT OPERATING	INFORMATION & TELECOM- MUNICATIONS SERVICES	INSURANCE
OPERATING REVENUES				
Profit on inventory sales				
Sales of inventory	\$ -	\$ -	\$ -	\$ -
Cost of goods sold	-	-	-	-
Gross profit on inventory	-	-	-	-
Data processing services - intracounty	-	-	26,816	-
Data processing services - other	-	-	483	-
Telecommunication services	-	-	2,923	-
Information resources management fees	-	1,865	-	-
Geographic information systems fees	-	-	-	-
Building management fees	-	-	-	-
Building operation and maintenance service fees	-	-	-	-
Architect/engineering/renovation service fees	-	-	-	-
Benefit program employer contributions	-	-	-	-
Benefit program employee fees	-	-	-	-
Financial services	29,365	-	-	-
Insurance services	-	-	-	22,827
Equipment rental fees	-	-	-	-
Fixed asset data management services	-	-	-	-
Garage shop services	-	-	-	-
Printing and duplication	-	-	-	-
Workers' compensation employer contributions	-	-	-	-
Miscellaneous	15	-	32	1,760
Total operating revenues	<u>29,380</u>	<u>1,865</u>	<u>30,254</u>	<u>24,587</u>
OPERATING EXPENSES				
Personal services	19,530	1,181	17,007	2,071
Materials and supplies	297	5	1,310	52
Contract services and other charges	2,012	71	2,449	30,834
Lease and maintenance of equipment	1,281	12	3,066	33
Internal services	7,514	277	3,096	1,433
Depreciation	371	8	796	1
Total operating expenses	<u>31,005</u>	<u>1,554</u>	<u>27,724</u>	<u>34,424</u>
OPERATING INCOME (LOSS)	<u>(1,625)</u>	<u>311</u>	<u>2,530</u>	<u>(9,837)</u>
NONOPERATING REVENUES				
Interest	441	49	-	2,704
Total nonoperating revenues	<u>441</u>	<u>49</u>	<u>-</u>	<u>2,704</u>
NONOPERATING EXPENSES				
Interest	-	-	7	-
(Gain) loss on disposal of capital assets	3	-	23	-
Total nonoperating expenses	<u>3</u>	<u>-</u>	<u>30</u>	<u>-</u>
Income (loss) before contributions and transfers	(1,187)	360	2,500	(7,133)
Capital contributions	-	5	-	-
Transfers in	-	-	1,169	-
Transfers out	(211)	(29)	(5,041)	(2)
CHANGE IN NET ASSETS	<u>(1,398)</u>	<u>336</u>	<u>(1,372)</u>	<u>(7,135)</u>
NET ASSETS - JANUARY 1, 2007 (RESTATED) ^(a)	<u>2,882</u>	<u>1,107</u>	<u>5,338</u>	<u>38,404</u>
NET ASSETS - DECEMBER 31, 2007	<u>\$ 1,484</u>	<u>\$ 1,443</u>	<u>\$ 3,966</u>	<u>\$ 31,269</u>

(a) See Note 15, "Restrictions, Reserves, Designations, and Changes in Equity" – Restatements of Beginning Balances.

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(IN THOUSANDS)
(PAGE 3 OF 3)**

KING COUNTY GEOGRAPHIC INFORMATION SYSTEMS	MOTOR POOL EQUIPMENT RENTAL	PRINTING/ GRAPHIC ARTS SERVICES	PUBLIC WORKS EQUIPMENT RENTAL	SAFETY & WORKERS' COMPENSATION	WASTEWATER EQUIPMENT RENTAL
\$ -	\$ 2,493	\$ -	\$ 5,249	\$ -	\$ 310
-	(2,328)	-	(4,424)	-	(276)
-	165	-	825	-	34
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,334	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	8,600	-	6,752	-	1,931
-	-	-	157	-	-
-	78	-	327	-	-
-	-	3,072	-	-	-
-	-	-	-	37,903	-
-	167	11	62	-	3
4,334	9,010	3,083	8,123	37,903	1,968
3,150	1,749	1,056	3,582	2,592	242
56	3,695	465	2,741	51	307
18	187	946	251	26,751	9
343	383	469	223	101	32
334	1,082	675	803	1,874	273
51	3,321	15	2,358	3	834
3,952	10,417	3,626	9,958	31,372	1,697
382	(1,407)	(543)	(1,835)	6,531	271
-	138	-	285	1,014	153
-	138	-	285	1,014	153
-	-	75	-	-	-
-	(61)	-	(275)	-	(119)
-	(61)	75	(275)	-	(119)
382	(1,208)	(618)	(1,275)	7,545	543
29	105	2	74	-	-
-	68	-	-	-	-
(90)	(2)	(2)	(23)	(10)	(51)
321	(1,037)	(618)	(1,224)	7,535	492
201	17,524	(1,378)	18,698	(34,281)	8,281
<u>\$ 522</u>	<u>\$ 16,487</u>	<u>\$ (1,996)</u>	<u>\$ 17,474</u>	<u>\$ (26,746)</u>	<u>\$ 8,773</u>

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
 (IN THOUSANDS)
 (PAGE 1 OF 3)

	TOTAL	BUILDING DEVELOPMENT & MANAGEMENT CORPORATIONS	CONSTRUCTION & FACILITIES MANAGEMENT	DES EQUIPMENT REPLACEMENT	EMPLOYEE BENEFITS PROGRAM
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from users	\$ 394,210	\$ 12,125	\$ 39,243	\$ (354)	\$ 183,341
Cash payments to suppliers for goods and services	(276,843)	(2,845)	(15,433)	28	(171,214)
Cash payments for employee services	(78,972)	-	(25,318)	-	(1,946)
Other operating revenues	2,839	16	106	667	-
Net cash provided (used) by operating activities	41,234	9,296	(1,402)	341	10,181
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Interest paid on short-term loans	(75)	-	-	-	-
Interfund loan principal	642	-	-	-	-
Transfers in	1,620	-	383	-	-
Transfers out	(4,866)	-	(192)	-	(30)
Net cash provided (used) by noncapital financing activities	(2,679)	-	191	-	(30)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(84,152)	(78,043)	(71)	(372)	(621)
Principal paid on general obligation bonds	(315)	-	(160)	-	-
Interest paid on general obligation bonds	(39)	-	(31)	-	-
Principal paid on revenue bonds	(70,370)	(70,370)	-	-	-
Interest paid on revenue bonds	(9,987)	(9,987)	-	-	-
Proceeds from new revenue bond issue	252,120	252,120	-	-	-
Principal paid on assessment	(15)	-	(15)	-	-
Interest paid on assessment	(6)	-	(6)	-	-
Deferred costs	(1,717)	(1,717)	-	-	-
Proceeds from disposal of capital assets	757	-	-	-	-
Net cash provided (used) by capital and related financing activities	86,276	92,003	(283)	(372)	(621)
CASH FLOWS FROM INVESTING ACTIVITIES					
Decrease in allocation of pooled reverse repurchase agreement	(5,537)	-	-	-	(1,028)
Interest on investments (Including unrealized gains/losses reported as cash and cash equivalents)	7,491	1,705	173	23	876
Purchase of investments	(3,141)	-	-	-	-
Net cash provided (used) by investing activities	(1,187)	1,705	173	23	(152)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	123,644	103,004	(1,321)	(8)	9,378
CASH AND CASH EQUIVALENTS - JANUARY 1, 2007	239,156	70,964	3,388	612	24,039
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2007	<u>\$ 362,800</u>	<u>\$ 173,968</u>	<u>\$ 2,067</u>	<u>\$ 604</u>	<u>\$ 33,417</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 10,484	\$ 6,617	\$ (1,264)	\$ 273	\$ 10,080
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Depreciation	11,672	3,150	385	370	9
Change in assets - (increase) decrease					
Accounts receivable, net	(193)	(559)	409	-	(50)
Due from other funds	2,987	-	(1,039)	(354)	(46)
Due from other governments, net	(96)	-	-	-	-
Inventory of supplies	(152)	-	14	-	-
Prepayments	541	(4)	-	-	-
Change in liabilities - increase (decrease)					
Accounts payable	(4,780)	157	200	52	35
Retainage payable	2	-	2	-	-
Estimated claim settlements	19,796	-	-	-	(21)
Due to other funds	88	(77)	(358)	-	6
Due to other governments	9	9	-	-	-
Wages payable	247	-	80	-	(58)
Taxes payable	6	1	-	-	-
Custodial accounts	45	-	-	-	45
Unearned revenues	186	2	-	-	185
Compensated absences	190	-	95	-	(6)
Other postemployment benefits	202	-	74	-	2
Total adjustments	30,750	2,679	(1,38)	68	101
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 41,234</u>	<u>\$ 9,296</u>	<u>\$ (1,402)</u>	<u>\$ 341</u>	<u>\$ 10,181</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES					
Contributions of capital assets from government	\$ 1,904	\$ -	\$ 1,672	\$ 17	\$ -

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(IN THOUSANDS)
(PAGE 2 OF 3)

FINANCIAL MANAGEMENT SERVICES	OFFICE OF INFORMATION RESOURCE MANAGEMENT OPERATING	INFORMATION & TELECOM- MUNICATIONS SERVICES	INSURANCE	KING COUNTY GEOGRAPHIC INFORMATION SYSTEMS	MOTOR POOL EQUIPMENT RENTAL
\$ 29,641	\$ 1,980	\$ 30,318	\$ 22,773	\$ 4,360	\$ 13,015
(10,204)	(400)	(9,174)	(23,523)	(578)	(7,858)
(19,272)	(1,245)	(16,764)	(2,026)	(3,107)	(1,720)
15	-	32	1,760	-	167
<u>180</u>	<u>335</u>	<u>4,412</u>	<u>(1,016)</u>	<u>675</u>	<u>3,604</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,169	-	-	68
<u>(211)</u>	<u>(19)</u>	<u>(4,234)</u>	<u>(2)</u>	<u>(90)</u>	<u>(2)</u>
<u>(211)</u>	<u>(19)</u>	<u>(3,065)</u>	<u>(2)</u>	<u>(90)</u>	<u>66</u>
(162)	(10)	(653)	(8)	(95)	(2,154)
-	-	(155)	-	-	-
-	-	(8)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	288
<u>(162)</u>	<u>(10)</u>	<u>(816)</u>	<u>(8)</u>	<u>(95)</u>	<u>(1,866)</u>
-	-	-	(3,524)	-	-
441	49	-	2,704	-	138
<u>441</u>	<u>49</u>	<u>-</u>	<u>(820)</u>	<u>-</u>	<u>138</u>
248	355	531	(1,846)	490	1,942
<u>4,794</u>	<u>1,349</u>	<u>7,782</u>	<u>83,578</u>	<u>482</u>	<u>3,408</u>
<u>\$ 5,042</u>	<u>\$ 1,704</u>	<u>\$ 8,313</u>	<u>\$ 81,732</u>	<u>\$ 972</u>	<u>\$ 5,350</u>
\$ (1,625)	\$ 311	\$ 2,530	\$ (9,837)	\$ 382	\$ (1,407)
371	8	796	1	51	3,321
-	-	(1)	-	(1)	-
395	115	46	(54)	27	1,844
(93)	-	(8)	-	-	-
-	-	-	-	-	(5)
-	-	-	545	-	-
361	(57)	(831)	(4,559)	192	(230)
-	-	-	-	-	-
-	-	-	12,485	-	-
539	22	1,607	358	(19)	52
-	-	-	-	-	-
92	(5)	90	3	15	1
-	-	5	-	-	-
-	-	-	-	-	-
(26)	-	25	-	-	-
118	(61)	117	37	21	23
48	2	36	5	7	5
<u>1,805</u>	<u>24</u>	<u>1,882</u>	<u>8,821</u>	<u>293</u>	<u>5,011</u>
<u>\$ 180</u>	<u>\$ 335</u>	<u>\$ 4,412</u>	<u>\$ (1,016)</u>	<u>\$ 675</u>	<u>\$ 3,604</u>
\$ -	\$ 5	\$ -	\$ -	\$ 29	\$ 105

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(IN THOUSANDS)
(PAGE 3 OF 3)

	PRINTING/ GRAPHIC ARTS SERVICES	PUBLIC WORKS EQUIPMENT RENTAL	SAFETY & WORKERS' COMPENSATION	WASTEWATER EQUIPMENT RENTAL
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from users	\$ 2,843	\$ 12,654	\$ 39,386	\$ 2,885
Cash payments to suppliers for goods and services	(2,123)	(11,013)	(21,603)	(903)
Cash payments for employee services	(1,296)	(3,493)	(2,543)	(242)
Other operating revenues	11	62	-	3
Net cash provided (used) by operating activities	(565)	(1,790)	15,240	1,743
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interest paid on short-term loans	(75)	-	-	-
Interfund loan principal	642	-	-	-
Transfers in	-	-	-	-
Transfers out	(2)	(23)	(10)	(51)
Net cash provided (used) by noncapital financing activities	565	(23)	(10)	(51)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	(1,340)	-	(623)
Principal paid on general obligation bonds	-	-	-	-
Interest paid on general obligation bonds	-	-	-	-
Principal paid on revenue bonds	-	-	-	-
Interest paid on revenue bonds	-	-	-	-
Proceeds from new revenue bond issue	-	-	-	-
Principal paid on assessment	-	-	-	-
Interest paid on assessment	-	-	-	-
Deferred costs	-	-	-	-
Proceeds from disposal of capital assets	-	350	-	119
Net cash provided (used) by capital and related financing activities	-	(990)	-	(504)
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease in allocation of pooled reverse repurchase agreement	-	-	(985)	-
Interest on investments (including unrealized gains/losses reported as cash and cash equivalents)	-	285	944	153
Purchase of investments	-	-	(3,141)	-
Net cash provided (used) by investing activities	-	285	(3,182)	153
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	(2,518)	12,048	1,341
CASH AND CASH EQUIVALENTS - JANUARY 1, 2007	-	10,719	23,806	4,235
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2007	<u>\$ -</u>	<u>\$ 8,201</u>	<u>\$ 35,854</u>	<u>\$ 5,576</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (543)	\$ (1,835)	\$ 6,531	\$ 271
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Depreciation	15	2,358	3	834
Change in assets - (increase) decrease	-	-	9	-
Accounts receivable, net	-	-	-	-
Due from other funds	(234)	169	1,474	644
Due from other governments, net	5	-	-	-
Inventory of supplies	-	(160)	-	(1)
Prepayments	-	-	-	-
Change in liabilities - increase (decrease)	-	-	-	-
Accounts payable	(22)	48	(139)	13
Retainage payable	-	-	-	-
Estimated claim settlements	-	-	7,332	-
Due to other funds	454	(2,459)	(19)	(18)
Due to other governments	-	-	-	-
Wages payable	(3)	12	20	-
Taxes payable	-	-	-	-
Custodial accounts	-	-	-	-
Unearned revenues	-	-	-	-
Compensated absences	(241)	64	23	-
Other postemployment benefits	4	13	6	-
Total adjustments	(22)	45	8,709	1,472
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (565)</u>	<u>\$ (1,790)</u>	<u>\$ 15,240</u>	<u>\$ 1,743</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Contributions of capital assets from government	\$ 2	\$ 74	\$ -	\$ -